

Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining GARY R. HERBERT

JOHN R. BAZA Division Director

September 14, 2009

Ron Wunderlich Western Utah Copper PO Box 492 Milford, Utah 84751

Subject: Reclamation Surety Required, Western Utah Copper, Mary I Breccia Pipe (O.K. Mine Area),

S/001/0077, Beaver County, Utah

Dear Mr. Wunderlich:

The referenced Notice of Intent to Commence Small Mining Operations (NOI), received by the Division on August 20, 2009, is complete with the exception of the reclamation bonding requirement. The reclamation surety is determined to be \$16,000.00 with a 3-year escalation or \$16,400.00 with a 5year escalation. This was determined based on:

Small Mine Operation Bond Calculation Worksheet

Project Name S/001/0077

Mary I Breccia Pipe(O.K. mine Area)

3-year escalation (2012)

Item	Qty U	nit Cost	Total Cost
1st Acre Disturbance	1	\$7,400.00	\$7,400.00
Add'l Acres Disturbance	2	\$4,300.00	\$8,600.00
TOTAL	3		\$16,000.00

5-year escalation (2014)

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$7,600.00	\$7,600.00
Add'l Acres Disturbance	2	\$4,400.00	\$8,800.00
TOTAL	3		\$16,400.00

Please submit the reclamation surety and reclamation contract within the next 30 days. No mining related disturbance can be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at (801) 538-5291 e-mail bondcoordinator@utah.gov for assistance in completing this requirement.

Page 2 Western Utah Copper E/001/0077 September 14, 2009

Please contact me at (801) 538-5261 or Tom Munson at (801) 538-5321 if you have any questions regarding this letter. In reply please refer to file number S/027/0077.

Sincerely,

Paul B. Baker

Minerals Program Manager